

**EXHIBIT B**  
**(1 of 3)**

# MODERN SPORTING RIFLE (MSR)

## COMPREHENSIVE CONSUMER REPORT 2010

OWNERSHIP, USAGE AND ATTITUDES TOWARDS MODERN SPORTING RIFLES

NATIONAL SHOOTING  
SPORTS FOUNDATION



Conducted for the National Shooting Sports Foundation  
by Sports Marketing Surveys

  
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**About NSSF:**

The National Shooting Sports Foundation is the trade association for the firearms industry. Its mission is to promote, protect and preserve hunting and the shooting sports. Formed in 1961, NSSF has a membership of more than 6,000 manufacturers, distributors, firearms retailers, shooting ranges, sportsmen's organizations and publishers. For more information please visit; [www.nssf.org](http://www.nssf.org)

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## 1 METHODOLOGY

The Modern Sporting Rifle (MSR) Consumer Study employed an online survey methodology. With no database available of known MSR owners, NSSF promoted participation in this study via online banner ads on various websites, blogs and e-newsletters geared toward firearm ownership and hunting such as:

- AR15.com
- ARGunsandHunting.com
- FieldandStream.com
- GunDigest.com
- GunsandAmmo.com
- OutdoorLife.com
- RifleShooter.com
- ShootingTimes.com
- NSSF Facebook and YouTube pages
- NSSF/GunBroker *Pull the Trigger* e-newsletter

A contest to win one of three \$500 Cabela's gifts cards was included as an incentive to complete the study in full. The term Modern Sporting Rifle was clearly defined as AR-platform rifles such as an AR-15, tactical rifles and black guns. Photographs of MSR's were also shown on the survey landing page as well as at the beginning of the survey. A 60 second video was made available prior to taking the survey that clearly defined the term Modern Sporting Rifle (MSR) and clarified that the survey was specifically for owners of at least one MSR. The video promoted the study as a chance for respondents to offer insight and help shape the future of the tactical market.

To further pair down response to those that would correctly complete the survey, the survey's initial question asked: "Do you own at least one Modern Sporting Rifle? (If you do not own a Modern Sporting Rifle but would still like to be entered in the contest, please select "No".) These safeguards narrowed the completed responses from 11,417 to 7,372 to help insure data accuracy.

The Confidence Interval for the full "MSR Owner" sample of 7,372 ranges from +/- 0.51 percentage points to +/- 1.16 percentage points at the 95% confidence level. So for example, if the survey shows 50% of MSR owners shoot at ranges, we can be confident 95 times out of 100 that the real value lies within +/- 1.16 p.p so between 48.84% and 51.16%. Or to put it another way: Less than 5 times out of 100 would we expect to find a difference of more than 1.16 percentage points due to sampling.

Survey was live August 15 through November 15, 2010.



## 2 EXECUTIVE SUMMARY

The National Shooting Sports Foundation (NSSF) contracted with Sports Marketing Surveys in 2010 to conduct a large consumer study to learn more about the category of Modern Sporting Rifle (MSR) consumer ownership and usage. Prior to the start of the survey, NSSF gathered input from a panel of industry leaders and experts from manufacturing, retailing, and law enforcement/military backgrounds to ensure that correct questions were asked so that the study would result in providing a detailed report of previously unavailable data for this segment. NSSF thanks all those that helped in creating and promoting this study.

The study was conducted using an Internet based methodology. Banner ads and links were posted on many of the popular consumer oriented web sites within the firearms industry in order to solicit responses. An incentive was used in order to facilitate this process. At the end of the three month fielding period, more than 11,400 total responses were received of which, more than 7,300 came from verified MSR owners. This response was a significant increase from the original projections of 1,000 -1,500 responses. This large response meant that a number of very specific survey cross tabs to review differences among MSR owners were able to be performed.

Due to the large response rate, the survey was able to examine a wide variety of data points from ownership, usage and future purchase intentions. When it comes to MSR ownership, 12% of the owners made their initial MSR purchases during 2010. For those that own multiple MSRs (3+), 33% of them made their initial purchase prior to 1994. Older owners (age 65+) show a decreased interest or demand for new MSR purchases in the coming year. The top MSR accessories or planned upgrades are rangefinders and trigger upgrades followed by scopes, other optics and sound suppression.

The top reasons why consumers own a MSR are; recreational target shooting, home defense, collecting and hunting. 9 out of 10 MSR owners owned a handgun prior to acquiring their first MSR. Overall, approximately 99% of all MSR owners owned some type of firearm prior to their first MSR purchase. 37% of MSR owners come from a military background. The largest source of initial interest for MSR ownership was a personal decision. 81% of all MSR purchases are new versus used or as a gift from someone. The average price for all MSR firearms purchases was \$1,083.

The biggest single source of MSR purchases comes from independent firearms retailers with almost 40% of all purchases coming from that channel of business. 10% come from Gun Shows while 25% are made via the Internet and/or mail order.

When it comes to aftermarket accessories for their MSR, the owners of 3+ MSRs lead the way as 25% of these owners describe their MSR(s) as heavily (4+) accessorized. About 65% of all users have between 1-3 accessories while 16% use their MSR the way it came from the store or "out of the box". The majority of these aftermarket accessories are purchased with the first 12 months of ownership. Around a quarter of these owners made accessory purchases at the time of the initial purchase. After 12 months of purchase the likelihood of accessories being purchased drops off significantly. The average amount of money spent on accessories for MSRs for all usage levels is \$436.00

95% of all MSR owners have used their MSR at least once during the course of the previous 12 month period. Of the 95% that used their MSR during the last 12 months, approximately 20% participated in some form of hunting related activity.

25% of all MSR owners fired over 1,000 rounds over the past year with 32% of MSR owners expecting to fire more in the coming 12 months. The average number of rounds fired in the last 12 months by MSR owners is 1,056.

76% of all MSR owners say they generally prefer to shoot with at least one person when they go out to use their MSR while 20% generally go alone.

Please contact Jim Curcuruto [jcurcuruto@nssf.org](mailto:jcurcuruto@nssf.org), NSSF Director, Industry Research & Analysis with any questions pertaining to this study.



### 3 FAST FACTS

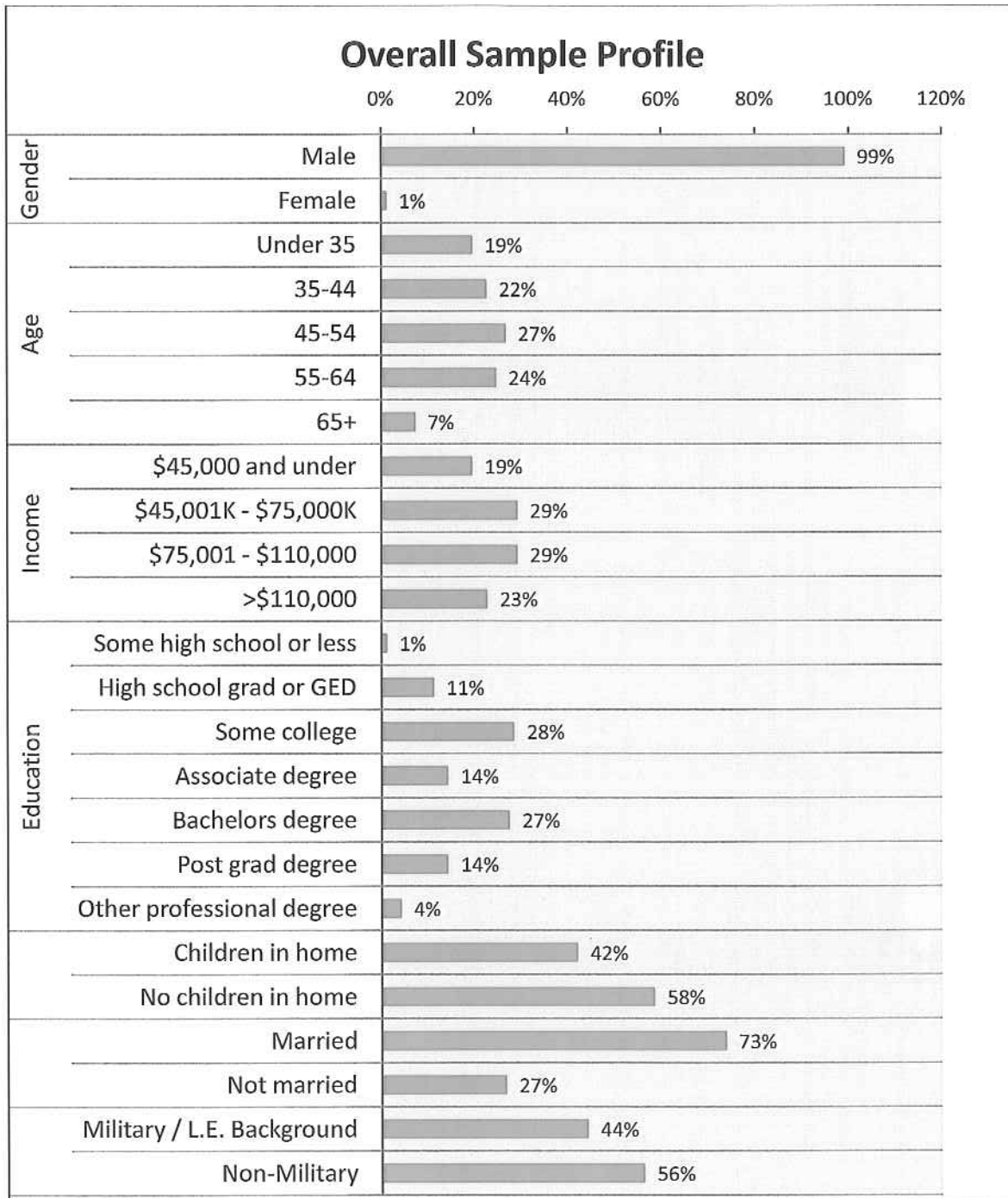
1. 60% of MSR owners that responded to the study own multiple MSRs.
2. Those who shoot often are much more likely to own multiple MSRs. 3 out of 4 who shoot twice a month or more own multiple MSRs.
3. 30% of all MSR owners purchased their first rifle in 2009 or 2010. One-third of those who own 3 or more MSRs purchased their first MSR prior to 1994.
4. 9 out of 10 MSR owners owned a handgun prior to owning an MSR. 34% of those under the age of 35 owned a paintball gun before owning their MSR.
5. 20% of shooting range members first gained interest in MSRs at a shooting range. About ¼ of all MSR owners first gained interest in MSRs in the military.
6. Nearly half (44%) of MSR owners are current or former military/law enforcement.
7. 51% of MSR owners are shooting range members. Range membership among MSR owners steadily increases with age and income.
8. 8 out of every 10 MSR owners purchased their MSR new. Those who own only one MSR are a bit more likely to purchase used than those who own multiple MSRs.
9. 2/3 of all MSR owners obtained their most recent MSR in 2009 or 2010 while only 12% received their most recent MSR in 2005 or earlier. Half of those who own 3+ MSRs and half of those who shoot 2+ times/month received their most recent MSR in 2010.
10. 52% of MSR owners paid under \$1,000 for their MSR. 56% of those who shoot 2+ times/month paid \$1,000 or more for their most recent MSR.
11. 39% of all MSR owners purchased their most recent MSR at an independent retail store.
12. 3 out of every 4 MSRs most recently purchased were chambered in .223/5.56mm.
13. MSR owners consider accuracy and reliability to be the two most important things to consider when buying a MSR. Owners did not consider their friends/family having one to be important.
14. 84% of MSR owners have at least one accessory on their rifle or do not shoot "out of the box". Younger, (under 35 years of age), shooters are more likely than older shooters to accessorize their rifle. 62% of owners accessorize their rifle after their purchase but within 12 months after purchasing it.
15. Those most likely to spend \$600+ on aftermarket customizations are: 3+ MSR owners, 2+ times/month shooters, under 35 year olds, and those with \$110k+ HH income. Those spending the least include those who own only 1 MSR and 65+ year olds.
16. 71% of MSR owners use a scope or red dot as their primary optic. Older shooters tend to use a scope as their primary optic more than younger, (under 35 years of age), shooters. Younger shooters prefer a red dot as a primary optic more than older shooters.
17. 1/3 of all MSR owners use a 30-round magazine the most in their MSR. Younger MSR owners are more likely to use higher capacity magazines than older MSR owners.
18. 60% of MSR owners use a collapsible/folding stock but this usage rate decreases with age.
19. Nearly 7 out of 10 of the most recent MSRs purchased had flat top upper receivers.
20. MSR owners are pretty evenly split on having rails or not having rails on their MSR.
21. Black is by far the most popular finish color with 83% of owners saying their most recent MSR is black.

22. Of the most recent MSRs purchased, 62% had a threaded barrel, 64% had a flash hider, 54% had a 16" barrel, and 62% operate on a direct gas impingement.
23. Those most likely to purchase a MSR in the next 12 months are: 3+ MSR owners, 2+ times/month shooters, and younger, (under 35 years of age), owners.
24. The 3 most owned accessories are: rifle sling (81%), soft carrying case (70%), and mounted rifle scope (68%). The top 3 that MSR owners intend to buy are: trigger upgrades, range finder, and sound suppressor.
25. Recreational target shooting (8.9/10.0) was the #1 rated reason for owning a MSR in terms of importance. Home defense was 2<sup>nd</sup> at 7.7. Professional use / job related was the least important at 2.4.
26. 95% of owners have used their MSR in the last 12 months. Usage slightly decreases with age going from 98% usage rate for under 35's to 92% for those 65+.
27. 29% of MSR owners shoot their MSR more than once per month.
28. 34% of MSR owners shot more than they did the previous year; 82% said they shot more or the same amount compared to the previous year.
29. 44% of owners shoot at a public range and 44% shoot at a private range. Private range usage increases with age, income, # MSRs owned, and shooting frequency.
30. MSR owners use "budget" factory loads 42% of the time while premium loads account for 25%, reloads 21%, and import ammo 12%. Those who shoot more often are much more likely to reload.
31. 25% of owners shot over 1,000 rounds out of their MSR in the last 12 months. 32% of range members and 20% of non-members shot over 1,000 rounds in the last 12 months. 32% of all owners anticipate shooting over 1,000 rounds in the next 12 months.
32. 43% of owners buy 500+ rounds of ammo at one time. Frequent shooters and multiple MSR owners are most likely to buy 500+ rounds at one time.
33. 45% of owners reload at least some of their ammo. Reloading is more popular with older shooters, range members, and multiple MSR owners.
34. 7 out of 10 reloaders reload 50% or more of their ammo; 32% reload 90% or more.
35. 86% participated in rifle target shooting and 72% participated in handgun target shooting in the last 12 months.
36. The most popular distance to hunt/target shoot with an MSR is 100-300 yards with 63% of owners shooting at those distances. 29% shoot at less than 100 yards. Younger shooters tend to shoot at shorter distances than older shooters.
37. 20% of MSR owners go shooting alone. Older, (over 35 years of age), shooters are more likely than younger shooters to shoot alone.
38. 8 out of 10 MSR owners feel they have not been able to shoot their MSR as much as they would like in the last 12 months.
39. Not having enough free time and the cost of ammo are the 2 main issues preventing MSR owners from shooting as much as they would like. The cost of ammo is much more important to younger shooters than it is to older shooters.
40. The typical MSR owner is 35+ years old, married, and has at least some college education. 52% have a HH income of \$75,000+ and 58% do not have children living with them.



## 4 SAMPLE PROFILE

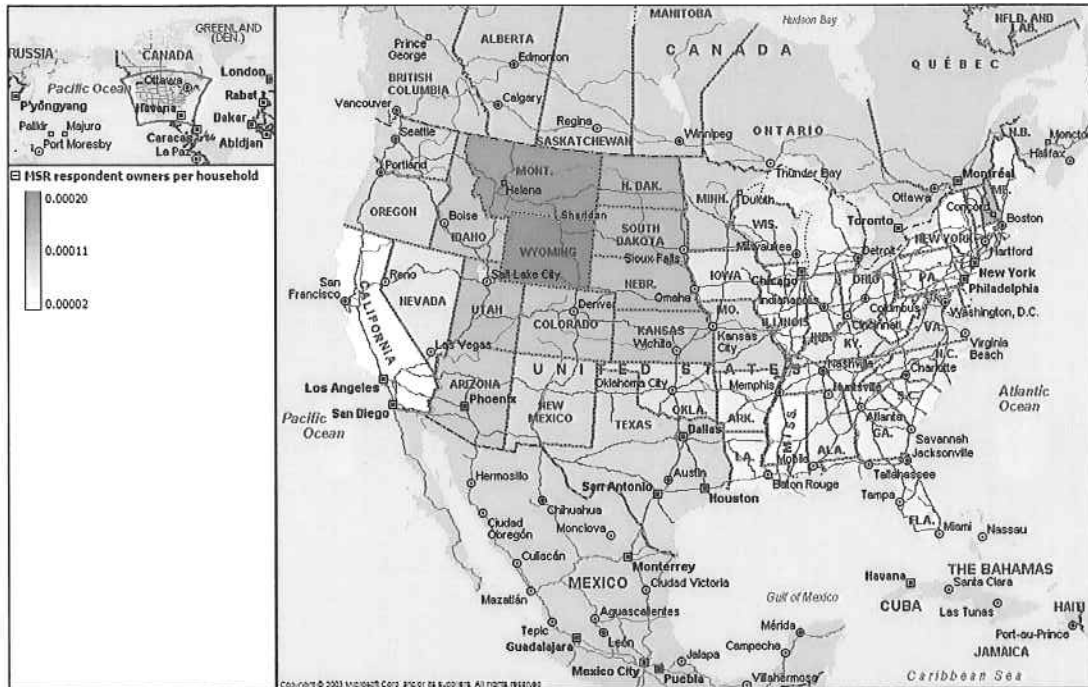
### 4.1 Overall profile of MSR owners



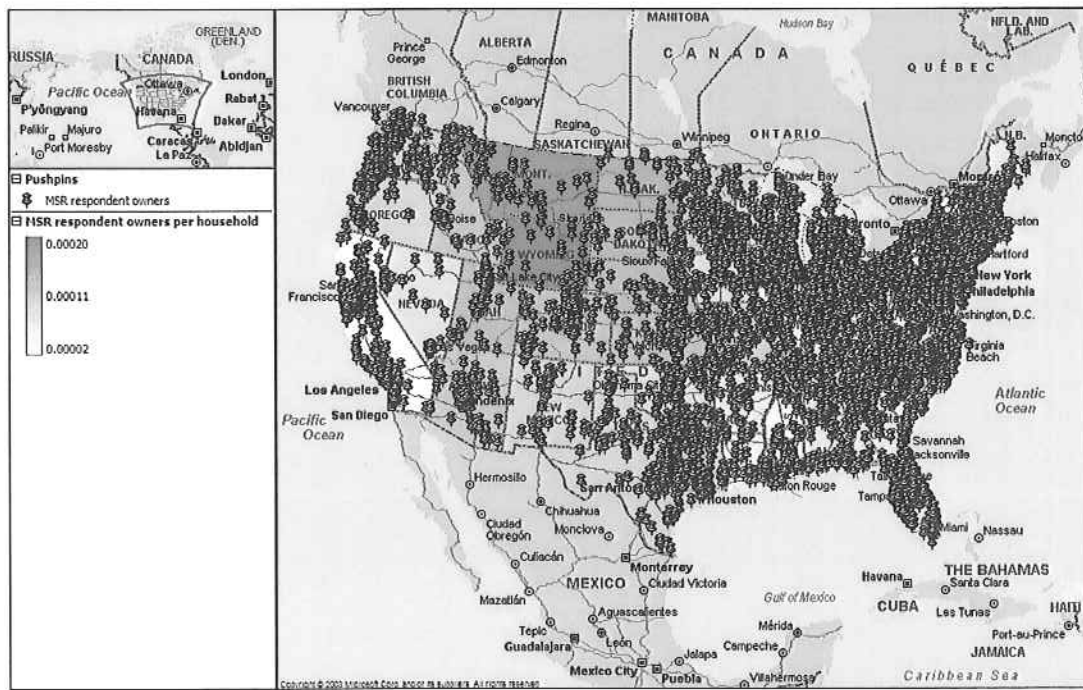


## 4.2 Geo-Analysis

The following map shows the number of MSR owners per household that responded to the survey. It shows Montana and Wyoming as the most responsive on a per household basis.



In terms of total respondents the following map shows a pushpin per respondent.



### 4.3 Military / Law Enforcement Background

The following table shows the percentage of MSR owners that are active/veterans of military and law enforcement.

Military / Law Enforcement	
All MSR Owners (Base 7,372)	100%
Military Background	37%
L.E. Background	15%
Either a Military Background or a Law Enforcement Background	44%

\*For those with a military background, the following table shows the split between active/veteran and the branch of military:

Military Background	
Military Active	13%
Military Veteran	87%
Military Branch	
Army	42%
Navy	20%
Air Force	21%
Marines	14%
National Guard	11%
Coast Guard	3%
Reserves	10%

\*For those with a law enforcement background, the following table shows the split between active/veteran and the branch of law enforcement:

Law Enforcement	
L.E. Active	50%
L.E. Veteran	50%
L.E. Branch	
Local	63%
State	18%
Federal	18%
Other	12%

\*The numbers in these tables do not add up to 100 due to duplication of responses.

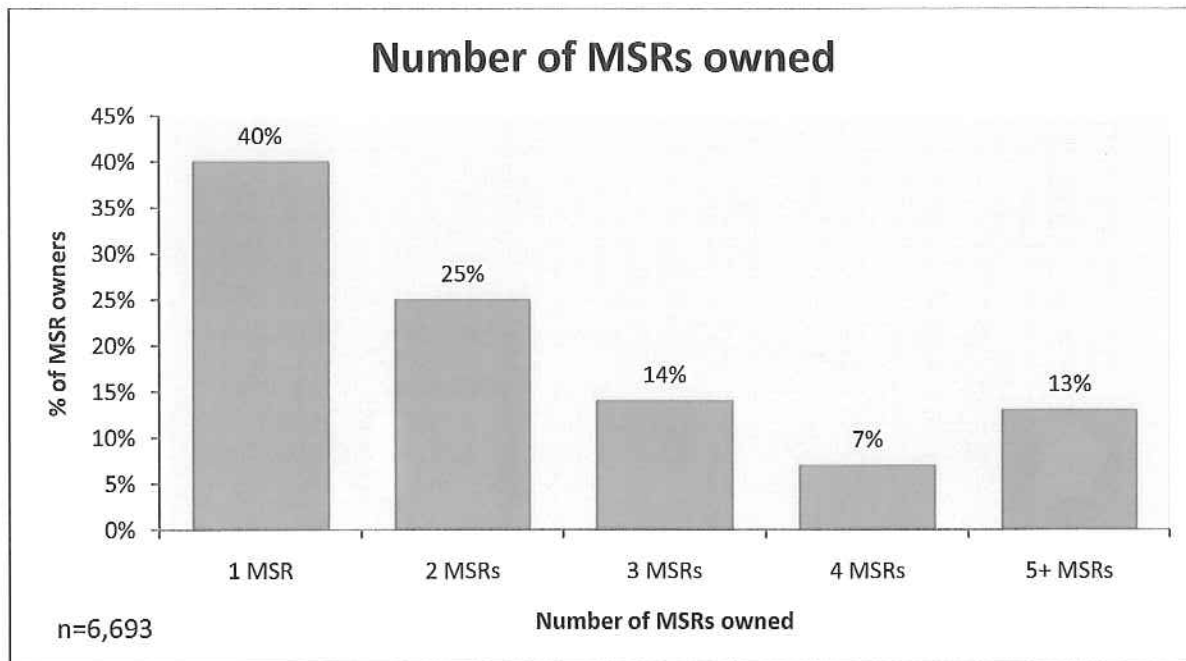
#### 4.4 Range Membership





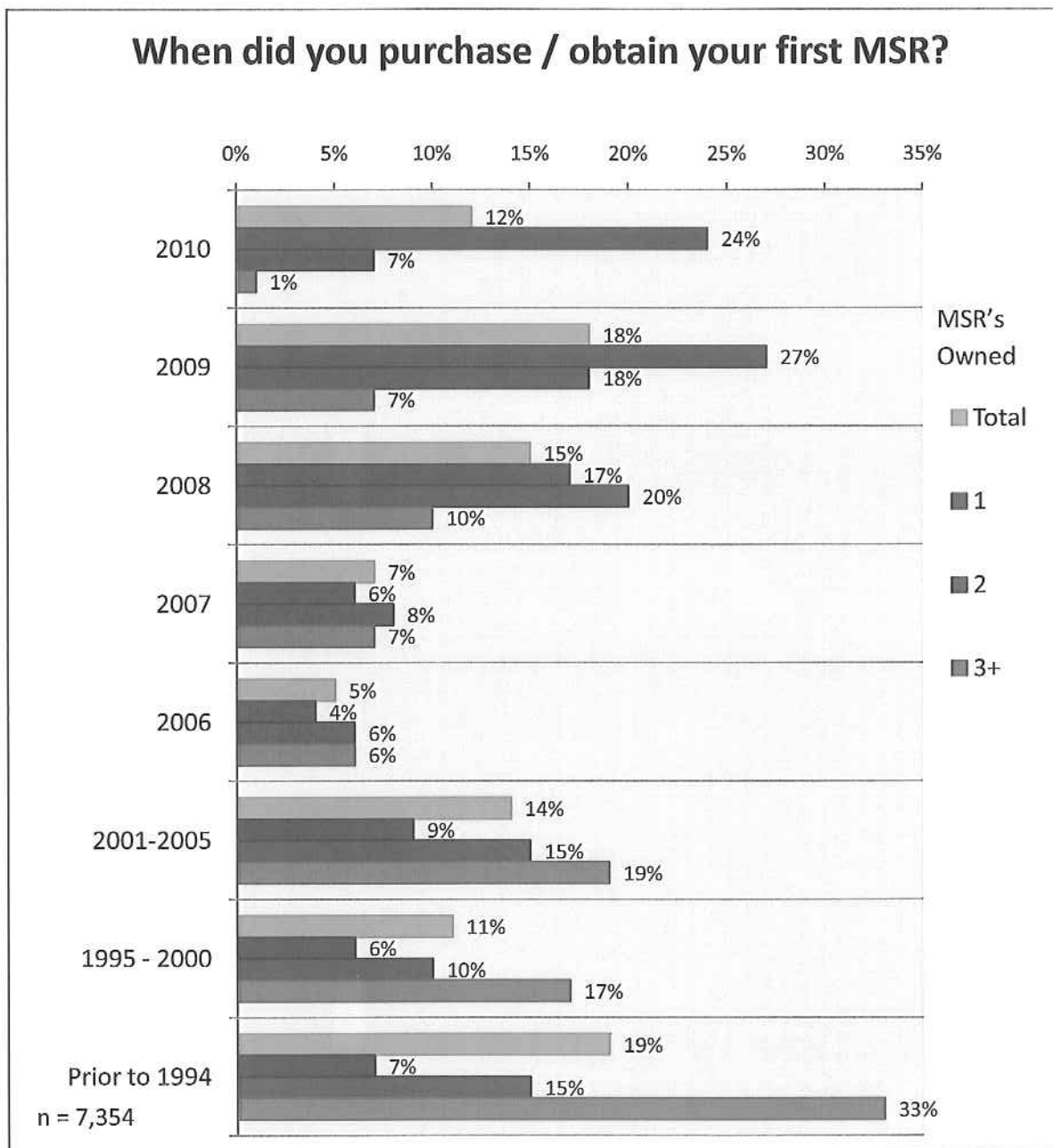
## 5 MSR BUYING PROCESS

### 5.1 Number of MSRs owned



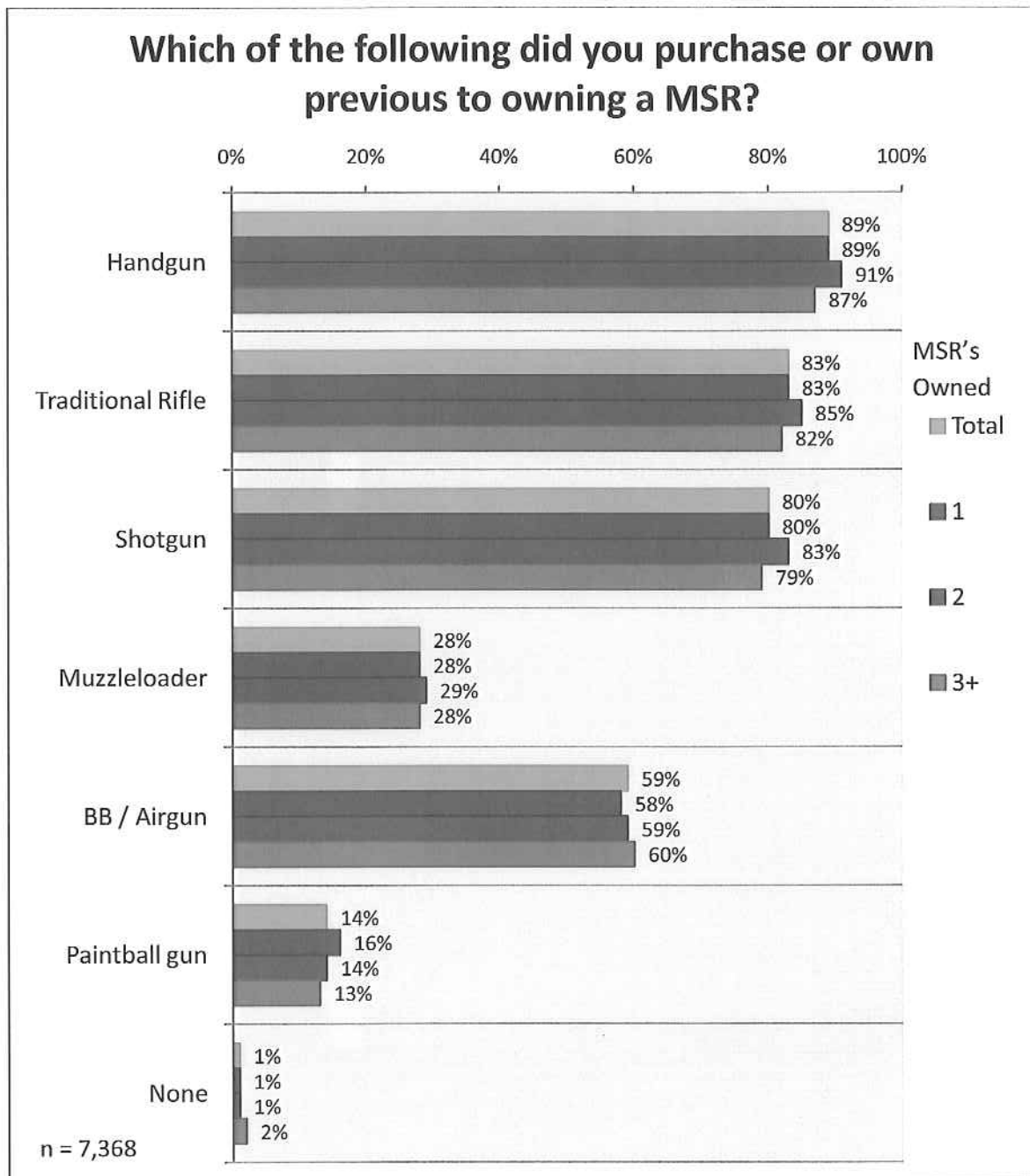
- 40% of owners own a single MSR.
- The average number owned is 2.58 MSRs.

## 5.2 First MSR purchased



- 12% of MSR owners first purchased an MSR in 2010
- Those who own 3 or more MSRs have been owners for a long time, with one-third first buying prior to 1994.

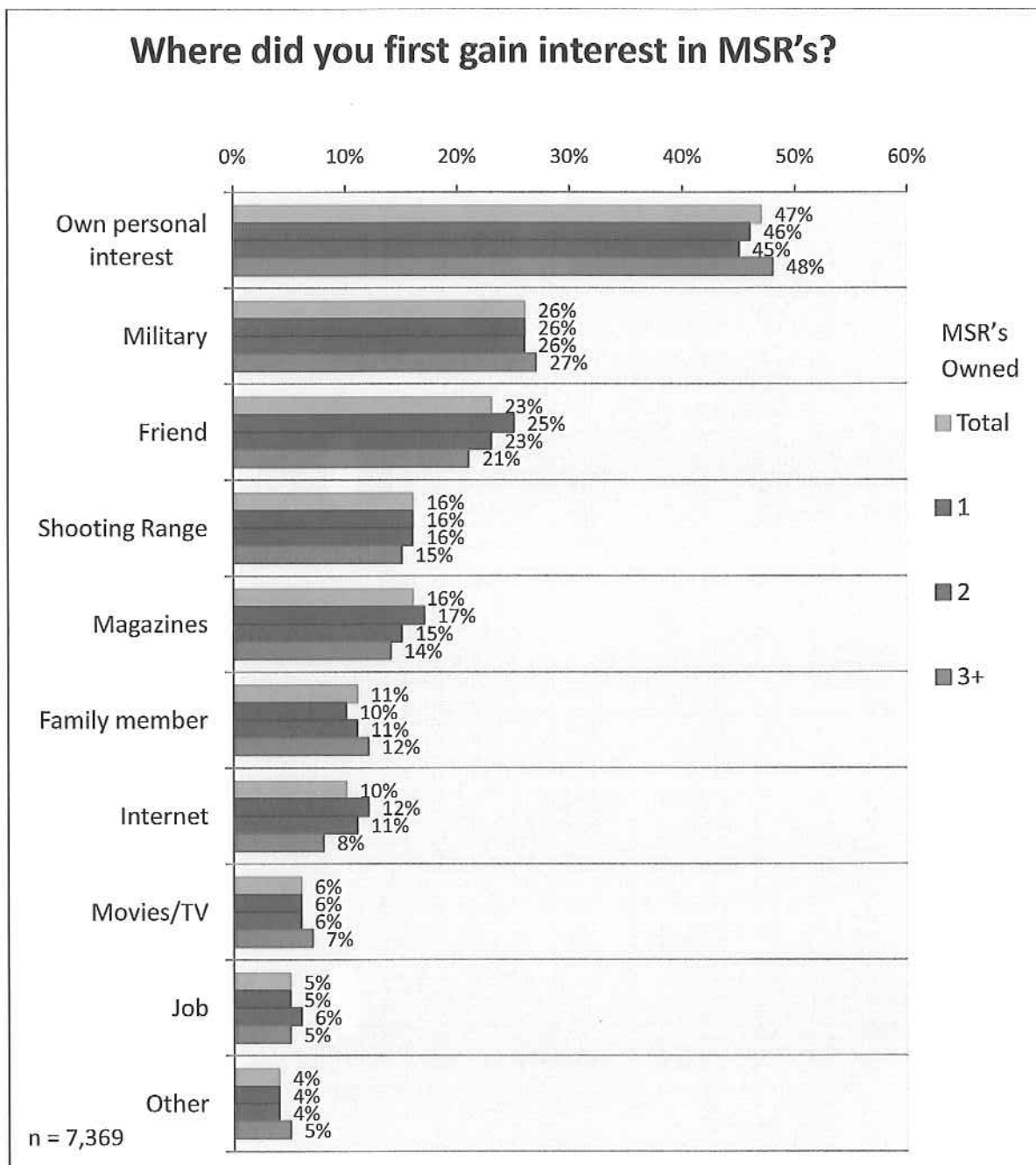
## 5.3 Firearms owned prior to MSR ownership



- 9 out of 10 MSR owners had a handgun before owning their MSR.

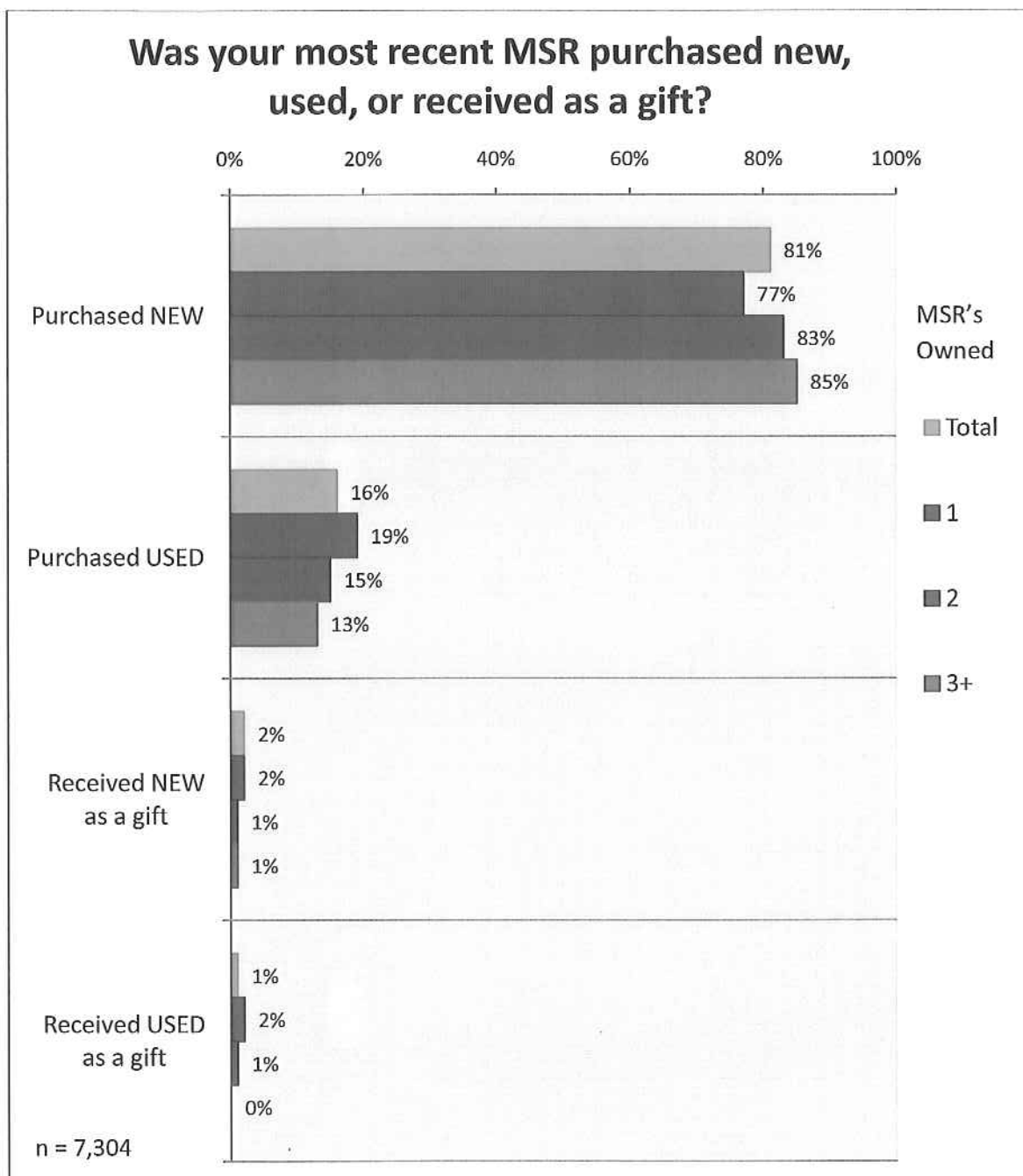


## 5.4 Interest gained in MSR



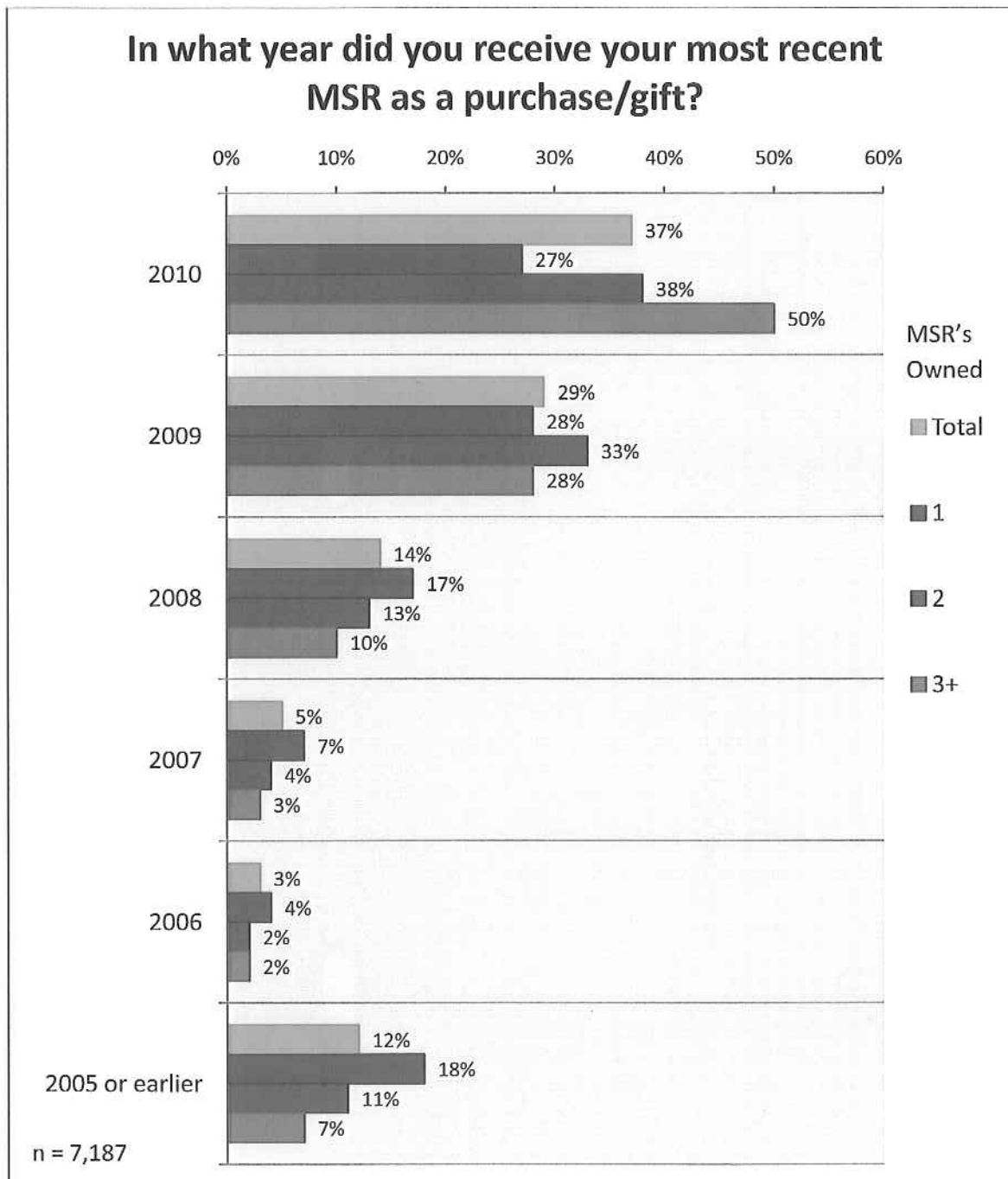
- Own personal interest and military background were the most important influencers.

## 5.5 New vs Used



- 81% of most recent MSR purchases were made NEW.

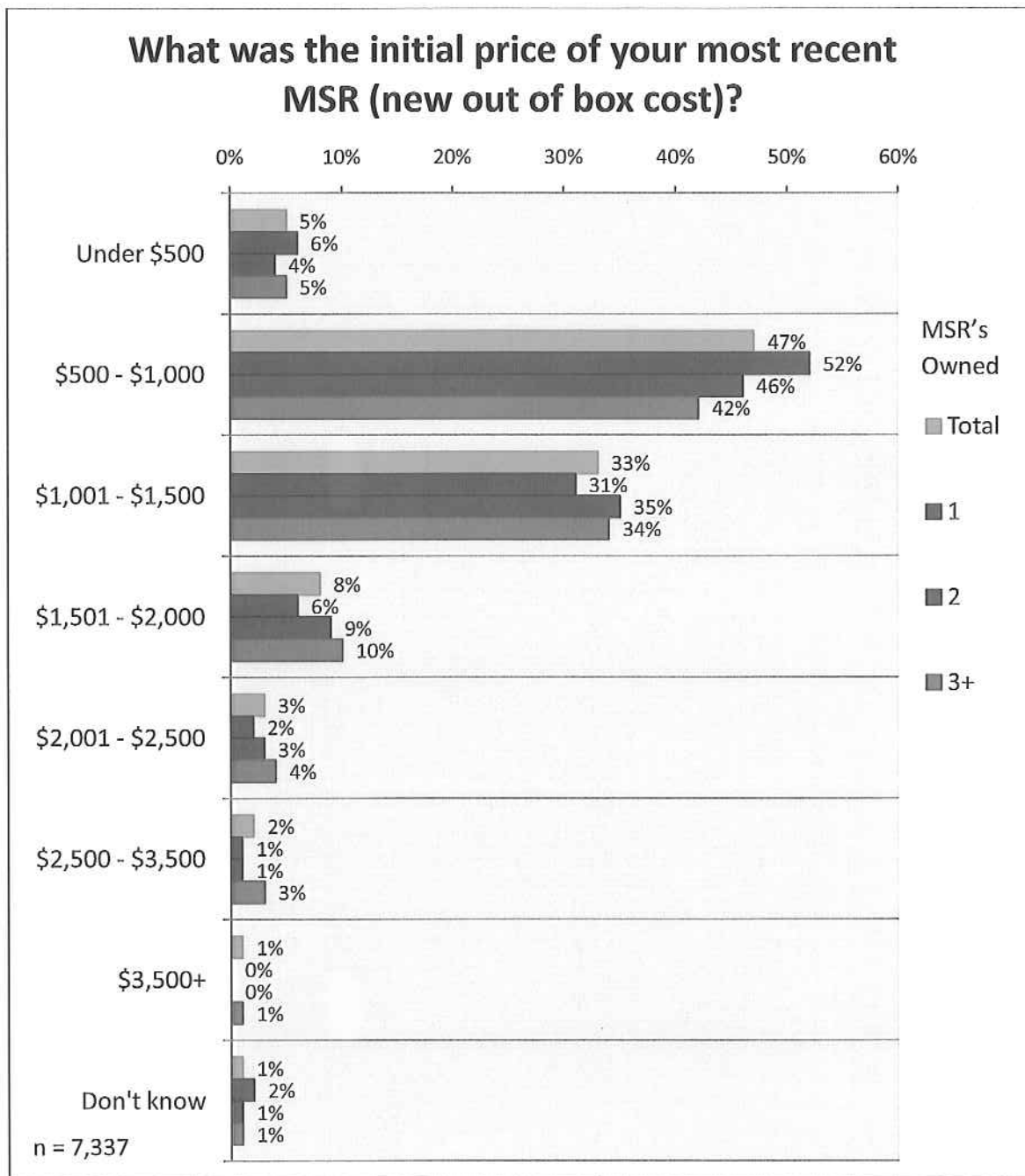
## 5.6 Year of purchase



- 37% of MSR owners obtained their most recent MSR in 2010. For those owning 3 or more MSRs, 50% obtained an MSR in 2010.

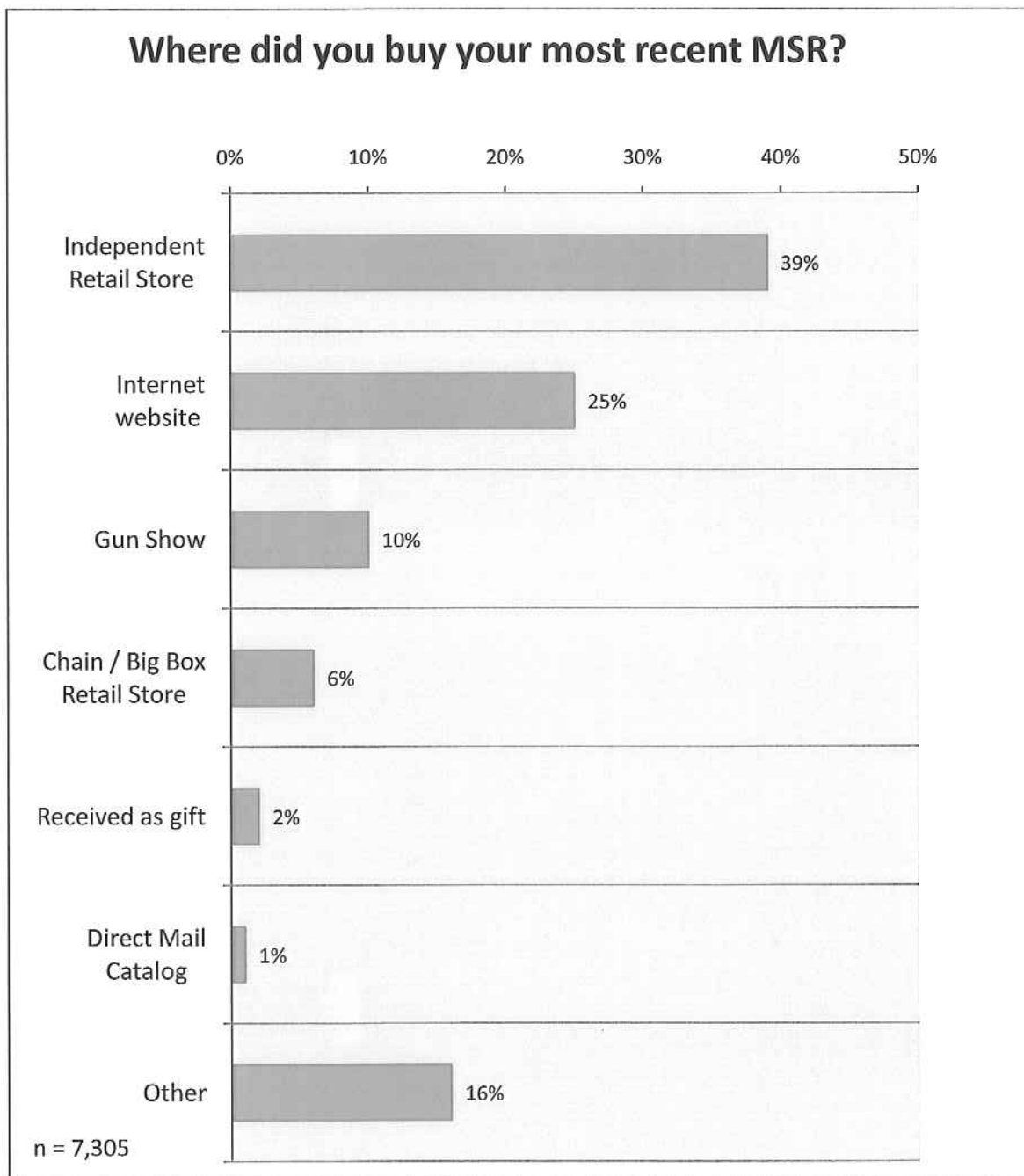


## 5.7 Price paid



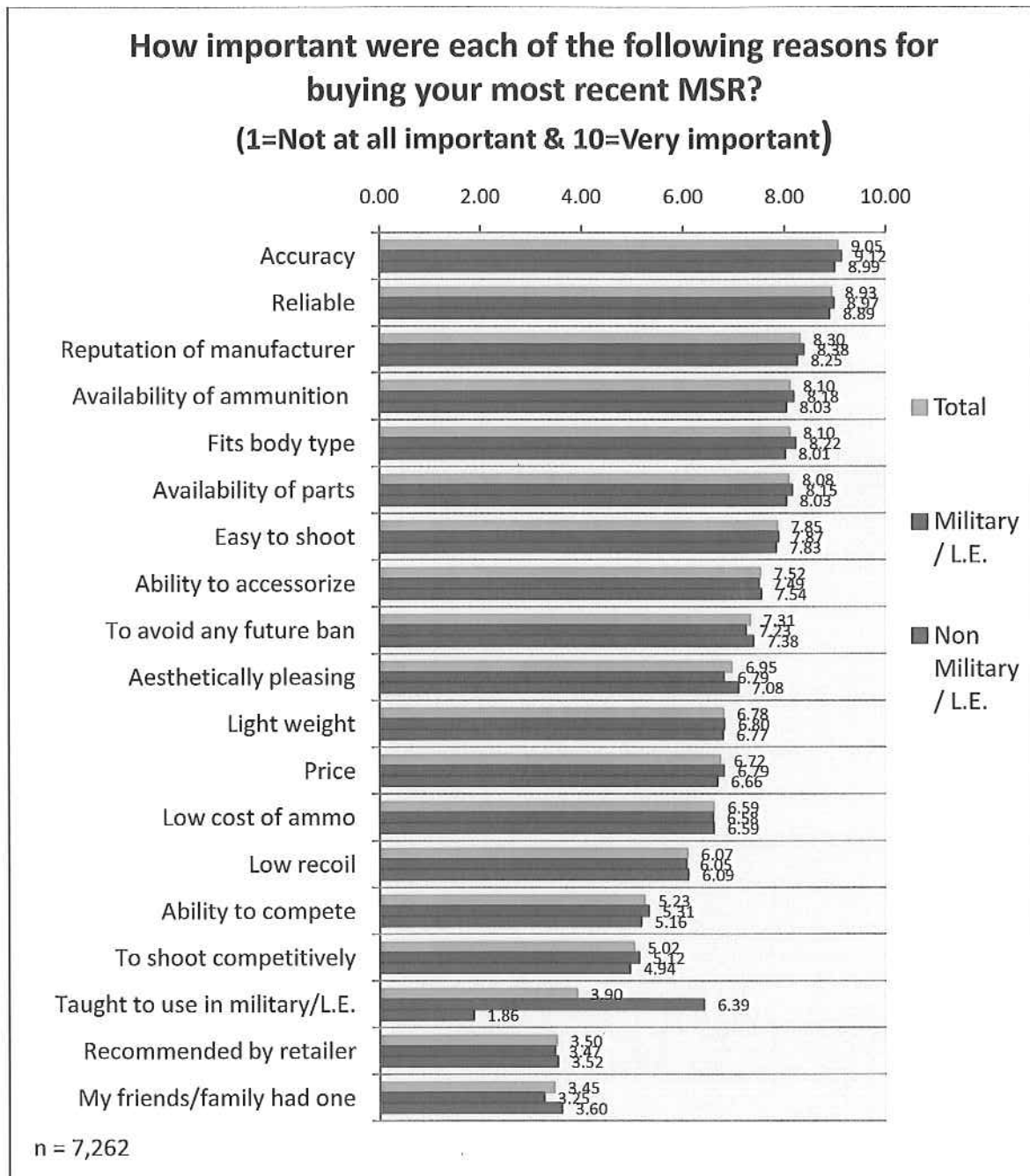
- 52% of MSR owners paid under \$1,000 for their most recent MSR.
- The average amount spent was \$1,083.

## 5.8 Place of purchase



- Independent retail accounted for 39% of all recent MSR purchases.
- A quarter of all recent MSR purchases were made over the internet.
- Top "other" responses, 1) Individual/Private Sale/Face to Face, 2) Purchased from friend or family, 3) Custom built/parts from a variety of sources.

## 5.9 Reasons for purchase

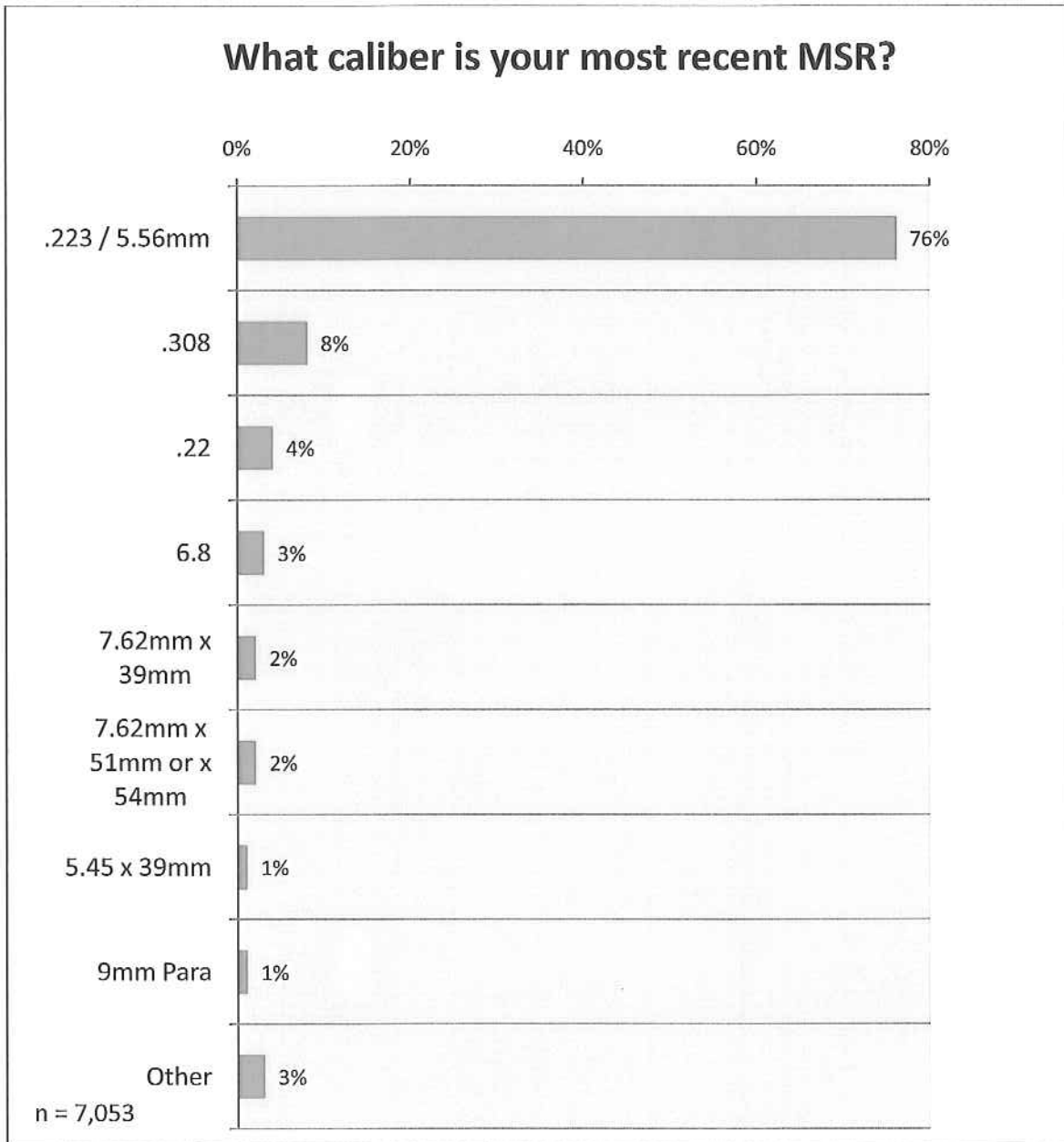


- The top 5 reasons for buying their most recent MSR were:
  1. Accuracy
  2. Reliability
  3. Reputation of manufacturer
  4. Availability of ammunition
  5. Fits body type/Good ergonomics



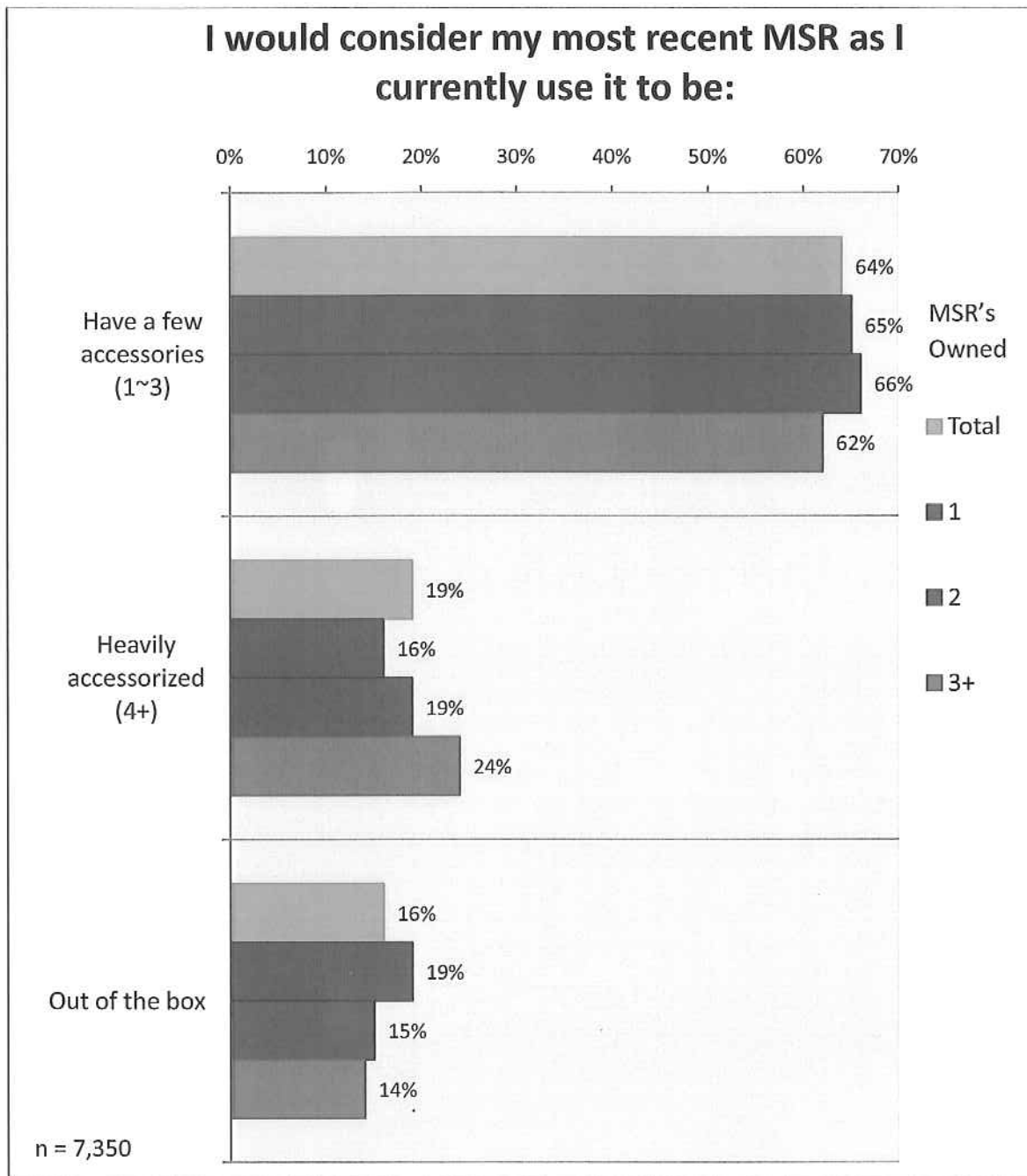
## 6 MSR AND ACCESSORY SPECIFICATION

### 6.1 MSR Caliber



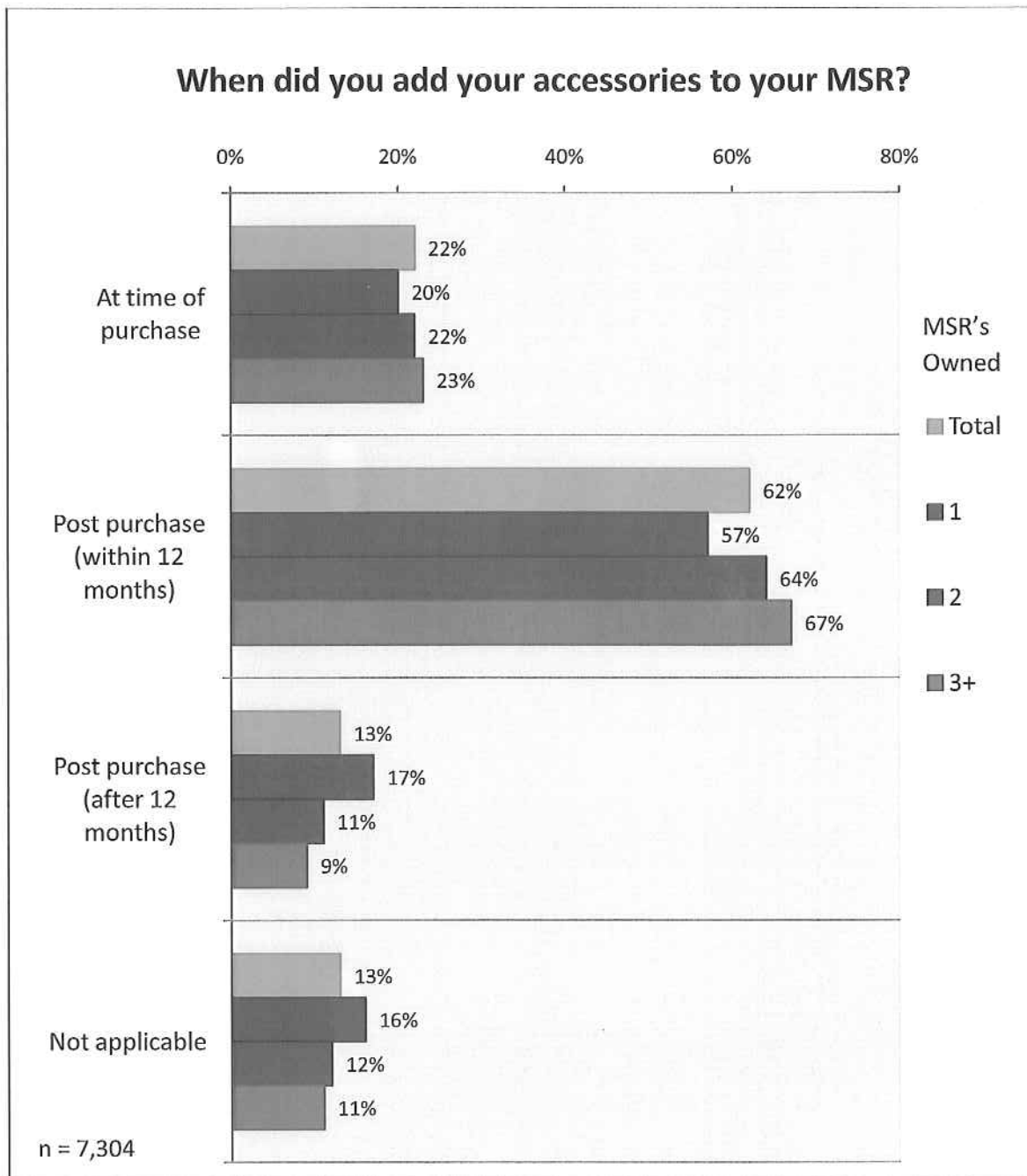
- Three-quarters of recent MSR purchases were chambered in .223 / 5.56mm.

## 6.2 Level of accessories



- Multiple MSR owners tend to accessorize their MSRs to a greater extent.
- Only 16% of MSRs are operated "out of the box" with no accessories.
- Two-thirds of MSRs have 1-3 accessories fitted.

## 6.3 When accessorized

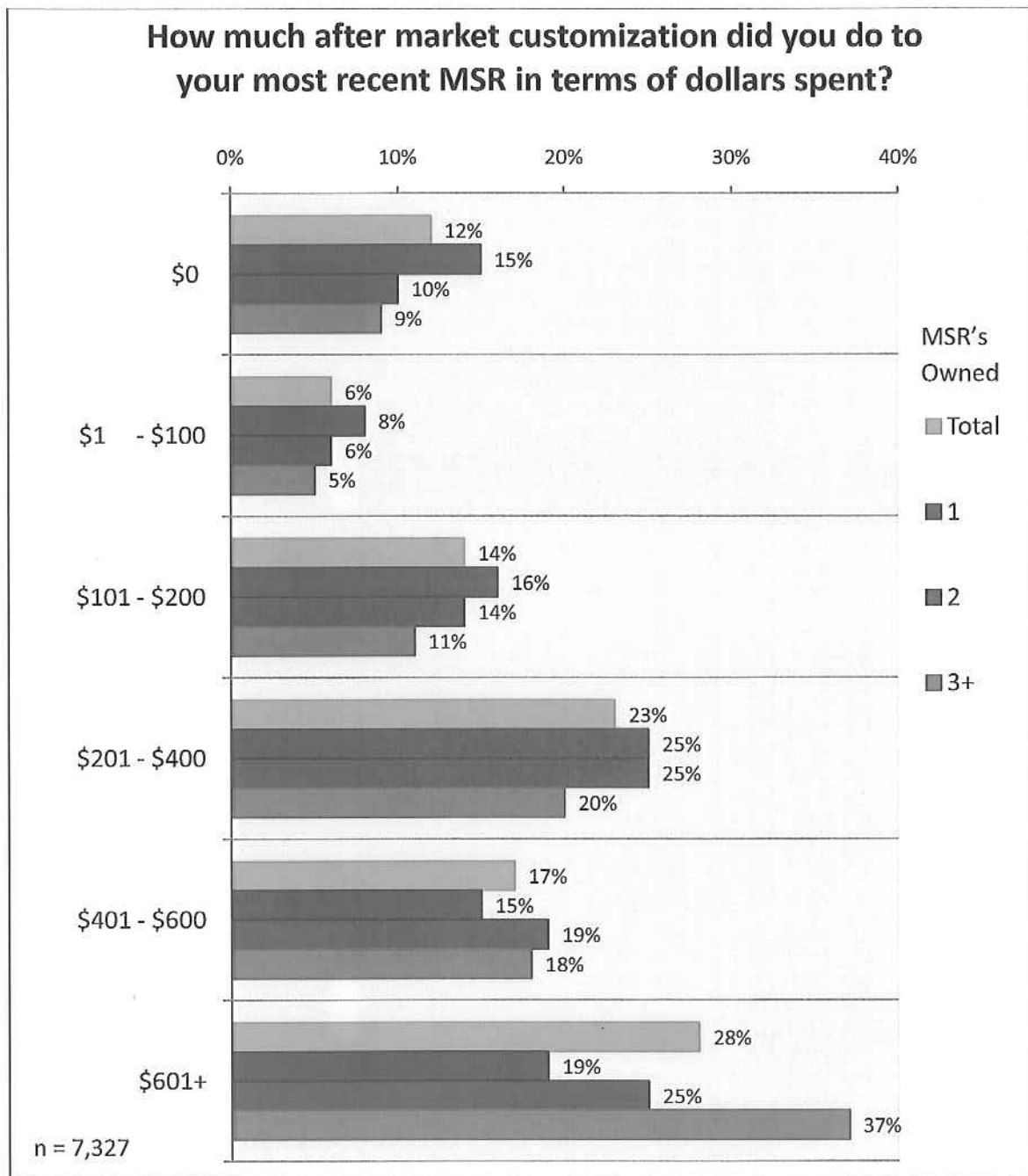


- Around one-quarter of MSRs are accessorized at the time of purchase.
- Just under two-thirds of MSR owners accessorize within the first 12 months after purchase.

\* Multiple selections allowed. Responses do not add up to 100%



## 6.4 Amount spent on accessories



- Just over a quarter of MSR owners spent \$600 or more on accessories for their most recent MSR purchases. This rises to 37% for those owning 3 or more MSRs.
- \$436 is the average amount spent by MSR owners for after-market customization.

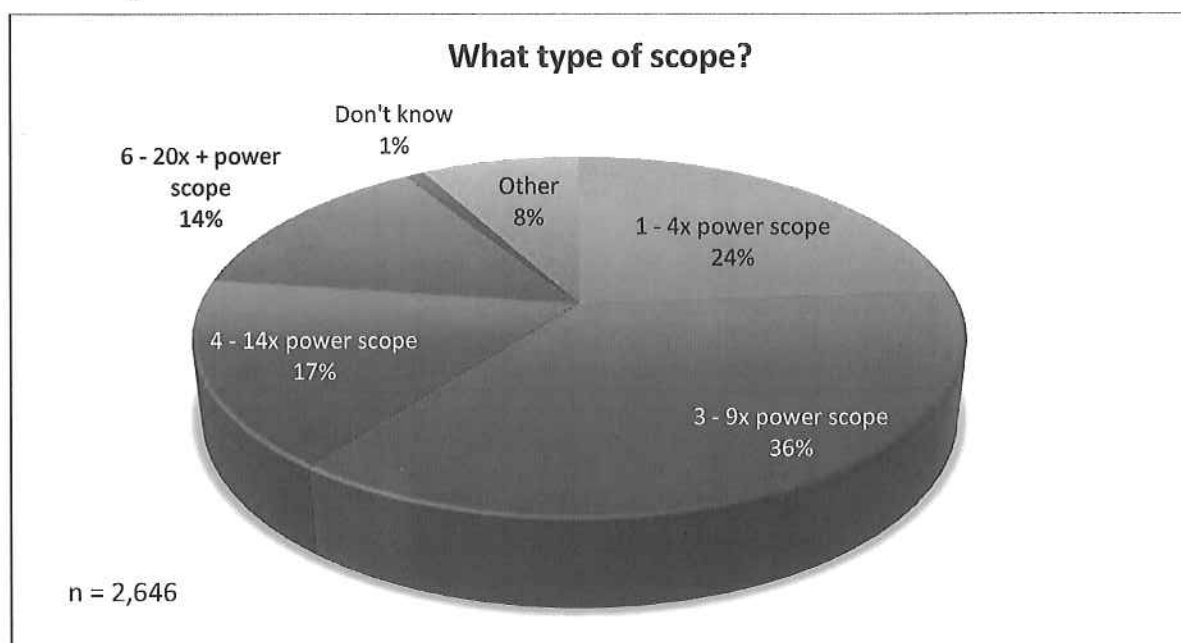
## 6.5 Optics

The following table shows the optics fitted to the most recent MSR purchases:

	Primary	Secondary
Iron sights	27%	41%
Scope	42%	7%
Red dot	28%	9%
Laser designator	2%	7%
Other	1%	1%
NONE	0%	35%
	100%	100%

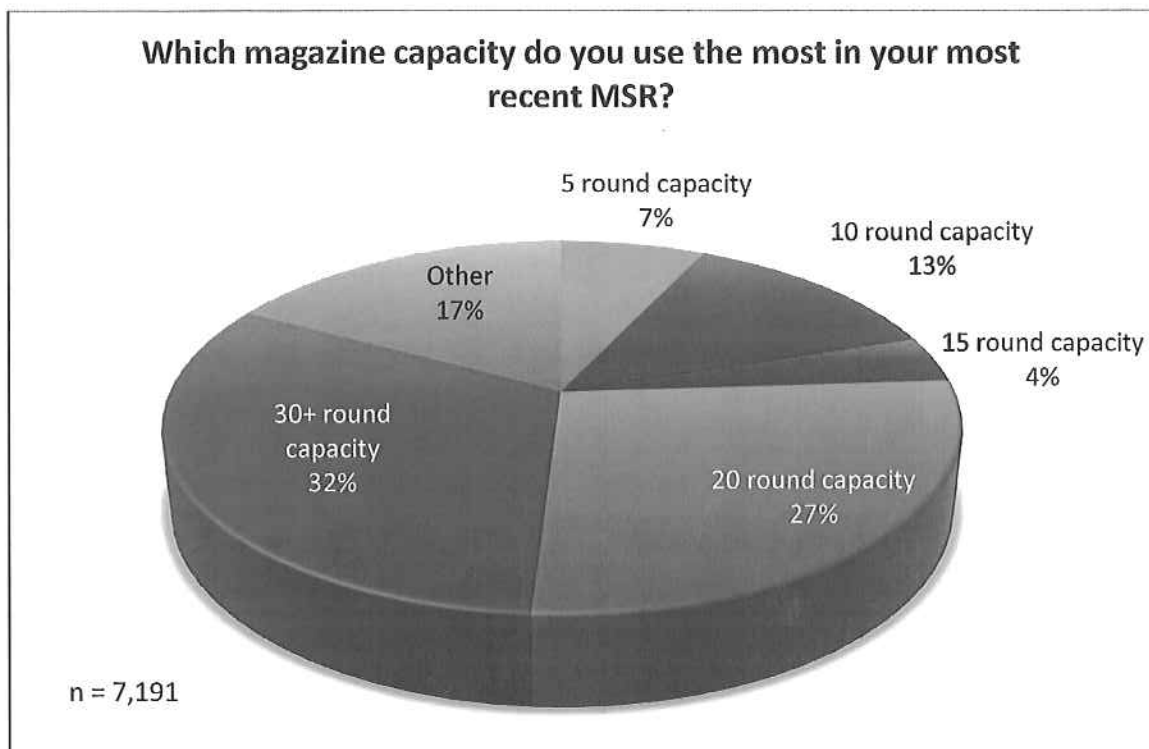
n = 7,302

## 6.6 Scope



- 3-9x power is the most popular scope with 36%
- A quarter of MSRs have 1-4x power scopes
- Top "other" response 2-7x power scope

## 6.7 Magazine capacity

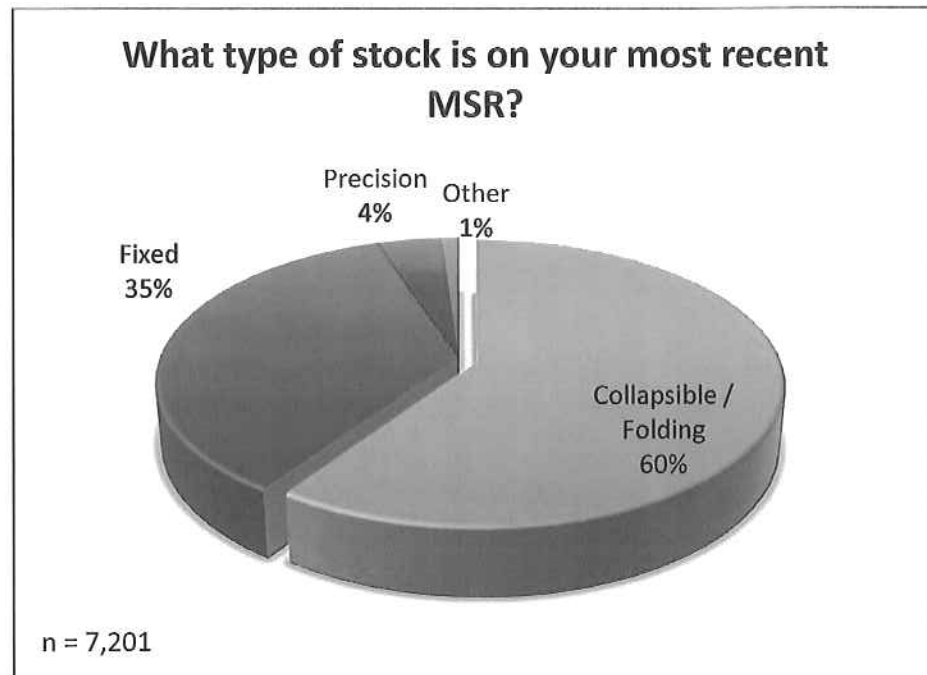


- A third of all MSR owners use 30+ round capacity magazines in their most recent MSR purchase.
- The next most popular magazine capacity is 20 round.
- Top "other" responses: 25 round & multiple magazines owned



## 6.8 Stock type

- 60% of MSR owners use a collapsible/folding stock



## 6.9 Upper receiver

- Nearly 7 out of 10 of the most recent MSRs purchased had flat top upper receivers

